

PROJECTS FOR:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**



Submitted to:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

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LUCKNOW 226 024**

PREFACE

The lack of employment opportunities is the main problem of poverty in the state where per capita income has been found to be lower than the national average. Therefore, the need has been felt to generate employment avenues in viable activities based on local resources, expertise and opportunities. The Ambedkar Vishesh Rozgar Yojana (AVRY) has been devised to identify different viable activities to be provided support for employment and income generation in different districts of the state. The District Rural Development Agency (DRDA) of Etawah district entrusted the Giri Institute of Development Studies, Lucknow to prepare projects of different activities which are to be given support under the AVRY. The Institute has identified ten (10) activities which are viable enough to provide sufficient employment and income to local people on sustainable basis. The project report have been prepared on the basis of data collected from concerned activities already being run in Etawah district.

We are obliged to Mr. Rajiv Kumar, IAS, Commissioner, Rural Development, Government of Uttar Pradesh for his valuable guidance and support in the preparation of project report.

The District Magistrate, Etawah, Mr. B.L. Meena, IAS and the Chief Development Officer, Mr. Ram Swarup have been kind enough to involve our Institute in the task. We feel thankful to them for their suggestions and support during the preparation of reports.

We are also grateful to Mr. M.C. Tripathi, Project Director, DRDA, who has been quite helpful to us during the whole exercise. The other officials of the DRDA, Etawah particularly Mr. Anurag Srivastava remained involved with us and their suggestions and help have been very useful to us.

We are grateful to our Director, Prof. A.K. Singh, who has been kind enough to provide the opportunity to work on this subject. We have been immensely benefitted from his guidance and support.

The research team of the Institute comprising Mr. Sanjay Srivastava (M.Phil), Ms. Sweta Yadav and Mr. Vinod Kashyap did the painstaking task of data collection and tabulation in Etawah district. The efficiency and expertise put in by them deserve all appreciation.

Last, but not the least, we are thankful to Mr. Manoharan, K., who word processed the manuscript efficiently.

DR. FAHIMUDDIN

Giri Institute of Development Studies
Lucknow

September 30, 2004

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PROJECT FOR:

**TRACTOR REPAIRING WORKS:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:
TRACTOR REPAIRING WORKS FOR ETAWAH DISTRICT

Submitted by:
Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

The district of Etawah is part of the Western region of our State which is recognised to be the most agriculturally developed part of Uttar Pradesh. The use of modern technology in agricultural advancement has been the remarkable feature in the district. The extensive use of tractors in agricultural operations has been a common practice which is evident from the fact that the total number of tractors in Etawah district were 1518 in 1988 which increased to 2692 in 1992. The number of tractors in different blocks of the districts is large enough which is evident from the following table.

Number of Tractors in Different Blocks of Etawah District: 1997

Sl.No.	Blocks	No. of Tractors
1.	Jaswant Nagar	407
2.	Basrehar	352
3.	Badhpur	385
4.	Takha	354
5.	Bharthana	274
6.	Maheva	460
7.	Chakar Nagar	192
8.	Saifai	238
	Total	2662

Source: Sankhya Patrika, 2003.

On the basis of above data, there are six tractors, on an average, available in every Gram Panchayat of the district. Thus, there is need that suitable number of tractor repairing workshops are opened in different areas of the district so that local persons having skill in the trade could gain sustainable employment and time and money of farmers in visiting urban areas for repairing work of their tractors are saved. Keeping both the issues in view and possible potential to run the tractor repairing workshops viably, this proposal has been prepared to support the activity under the AVRY.

II. Objectives

- To make available sustainable employment to the skilled persons in the trade of tractor repairing, belonging to different sections of the community in Etawah districts.
- To meet the local demand relating to the activity.
- Expansion of technical knowledge of tractor repairing for meeting the future needs.
- Augmentation in the income of workers associated with tractor repairing job.
- To check the migration of skilled workers from rural to urban areas and inconveniences of farmers in visiting urban areas for repairing of their tractors.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land/workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own tractor-repairing unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will receive preference who has already received training under the different schemes run by various departments of the State Government.

- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will associate the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess skill to run the tractor repairing workshops in rural and semi-urban areas of the Etawah district. The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each of three years. In this way, 150 service workshops are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of tractor repairing units, operating in different areas of Etawah district has revealed that per unit

direct employment generation would be of one person and Indirect employment of two persons. Thus, it is estimated that a total of 450 persons will get employment in the proposed activity which includes 150 persons directly and 300 persons indirectly. Among total beneficiaries, 22 per cent would be of Scheduled Castes. The average expenditure to set up 150 units of tractor repairing works comes to Rs.7320375 in which the grant from AVRY would be Rs.1267875, bank loan of Rs.3630000 and beneficiaries' share of Rs.2422500. The period of repayment of loan is fixed for three years. The activity would provide a gross annual income of Rs.60,000/-. In the following Table-1, details of project has been presented at a glance:

Table 1: Project of Tractor Repairing Works at a Glance - District Etawah

Name of the Project	Tractor Repairs Works	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Rural and Semi-Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers	
Employment Generation (Persons)	Employment	Total
	1. Direct	150
	2. Indirect	300
	Total	450
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	3630000
	3. Beneficiary's Share	2422500
	Total	7320375
	Source: Calculated on the basis of data collected from field in Etawah District	
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.60,000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land/building/shed to run the unit by his own resources.
- ❖ The total cost of machinery and instrument would be around Rs.34,200/-. The bank would provide loan to purchase all the needed machines and instruments. All type of machines and instruments required are available locally. The following machines and instruments would be required:
 - ✓ Greasing machine
 - ✓ Washing machine
 - ✓ Denting machine
 - ✓ Spray Gun
 - ✓ Paint Booth
 - ✓ Garari
 - ✓ Taparia
 - ✓ Other small instruments
- ❖ The requirement of working capital is estimated to be around Rs.9400/-. It is to be managed by the beneficiary.

V.1 Raw Materials

The following raw materials are used which are easily available locally:

- ✓ Lubricating Oil
- ✓ Grease/Wheel Grease
- ✓ Nuts & Bolts
- ✓ Other parts
- ✓ Paints
- ❖ The other expenses comes to Rs.4,800/-.

Thus, the total requirement of capital would be, as per our estimate, of Rs.48,400/- to start one unit of tractor repairing in Etawah district. The details are as shown below:

Table 2: Cost Analysis of One Tractor Repairing Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Machine & Instrument	34,200	Provided by Bank/Government's Share
3. Working Capital	9,400	To be borne by the Beneficiary
4. Other Expenses	4,800	To be borne by the Beneficiary
Total	48,400	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It has been proposed to set up 50 units during the first year. The total financial requirement would be Rs.2440125. Out of it, beneficiaries would contribute about 33 per cent. Bank loan and AVRY shares would be 50 per cent and 17 per cent respectively. In this way during the three years period, i.e. 2004-05 to 2006-07, the total financial requirement has been estimated as shown in Table 3.

Table 3: Management of Financial Requirement from Different Sources for Tractor Repairing Units in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	1210000	807500	2440125
150	1267875	3630000	2422500	7320375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

As per guidelines of the Ambedkar Special Employment Scheme, out of total units proposed to be set up, minimum of 22 per cent would be reserved for Scheduled Castes. The SC beneficiaries would receive grant of 33 per cent of a unit cost or Rs.10,000 while general beneficiaries would get 25 per cent or Rs.7,500 under AVRY. On this basis, cost break-up of the 50 units and 150 units proposed to be set for different beneficiaries has been made in the following Table 4.

Table 4: Caste-wise Distribution of Financial Requirement in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	266200	156200	537900
General Castes	39	292500	14625	943800	651300	1902225
Total	50	402500	20125	1210000	807500	2440125
Scheduled Castes	33	330000	16500	798600	468600	1613700
General Castes	117	877500	43875	2831400	1953900	5706675
Total	150	1207500	60375	3630000	2422500	7320375

VIII. Cost-Benefit Analysis

The total cost of setting up of a tractor-repairing unit comes to Rs.48400. The value of machines and tools would be Rs.34200 and working capital and other expenses have been estimated to be Rs.9400 and 4800 respectively. The income to be earned is estimated to be Rs.60,000 and after repayment of loan instalment of Rs.9000/- per annum (Rs.4500/- in six months), Rs.51000 would be the gain per year as has been shown in the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. <u>Non-Recurring</u>	
1. Land & Building	By the Beneficiaries
2. Machine and Instrument	Rs.34200
B. <u>Recurring</u>	
1. Working Capital	Rs.9400
2. Other Expenses	Rs.4800
C. Total Cost Per Unit	Rs.48400
D. Income per Year	Rs.60,000
E. Payment of Loan instalment (Six monthly)	Rs.9000.00 (Per annum)
F. Gain per Year	Rs.51,000.00

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The project must have strong backward and forward linkages for its sustainability. The tractor repairing units in Etawah District has sound linkages of both types. All kind of raw materials used in the activity are available locally. The skilled workers are also available in the district. Since number of tractors in the district is large enough, there is no dearth of availability of job to the units.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**AUTO BATTERY RECONDITIONING:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
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PROJECT FOR:
AUTO BATTERY RECONDITIONING UNIT
FOR ETAWAH DISTRICT

Submitted by:
Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

The growth in number of vehicles of various type has been phenomenal in Etawah district during last ten years as is evident across India. The requirement of batteries in vehicles is as essential as Petrol. Besides, there are several other uses of batteries. Keeping in view the growing demand of auto batteries, it is proposed to support the activity under the AVRY in Etawah district.

II. Objectives

- To make available sustainable employment to the skilled persons in the trade of auto battery repairing.

- To meet the growing local demand.
- To increase the income and employment of workers engaged in the trade.
- To check the migration of skilled workers to Etawah city.
- To expand the technical knowledge of the trade.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land/workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own auto battery reconditioning unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.

- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess technical know-how to run auto battery reconditioning units in semi-urban and urban areas of the Etawah district. The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each year. Thus, 150 units are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of auto battery reconditioning units operating in Etawah district has revealed that per unit direct employment generation would be of one person and indirect of one person also. Thus, it is estimated that a total of 150 persons will get direct employment and the same number as indirect. Out of total units proposed to be set up, 22 per cent units would be reserved for Scheduled Castes. The total financial need to set up 150 units is estimated

to Rs.5760300 In which AVRY grant would be Rs.1267800, bank loan of Rs.2850000 and beneficiaries' share of Rs.1642500. The annual payment of bank loan would be Rs.5400/- which will be paid in two installments of Rs.2700/- on six monthly basis. The gross income per unit per annum is estimated to be Rs.54,000/-. The project has been presented at a glance in the Table-1.

Table 1: Project of Auto Battery Reconditioning Works at a Glance:
District Etawah

Name of the Project	Auto Battery Reconditioning Works	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Semi-Urban and Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers	
Employment Generation (Persons)	Employment	
	1. Direct	150
	2. Indirect	150
	Total	300
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267800
	2. Bank Loan	2850000
	3. Beneficiary's Share	1642500
	Total	5760300
Source: Calculated on the basis of data collected from field in Etawah District		
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.54,000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land/building/shop to run the activity by his own resources.

- ❖ The total cost of machines and instrument and raw materials would be Rs.24,500/-. The bank loan will be arranged to purchase machines and instruments.
- ❖ The following machines and instruments are required which are easily available in Etawah city:
 - ✓ Battery Charger
 - ✓ Soldering Iron
 - ✓ Dynamo
 - ✓ Filter
 - ✓ Others
- ❖ The total requirement of working capital comes to Rs.11000 annually.
- ❖ The other expenses are estimated to be Rs.2500 per annum.
- ❖ Thus, the total capital requirement to start up one unit of auto battery reconditioning works is estimated to be Rs.38000.

V.1 Raw Materials

The following raw materials are used which are easily available locally:

- ✓ Acid
- ✓ Wire
- ✓ Soldering Paste
- ✓ Others

Table 2: Cost Analysis of One Auto Battery Reconditioning Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Machine & Instrument	24,500	Provided by Bank/Government/ Beneficiaries' Share
3. Working Capital	11,000	To be borne by the Beneficiaries
4. Other Expenses	2,500	To be borne by the Beneficiaries
Total	38,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units of auto battery reconditioning during the first year, starting from 2004-05. The total financial need is estimated to be Rs.1920100. Out of it, beneficiaries would contribute Rs.547500, loan from the Bank would be Rs.950000 and grant of Rs.422600 would be made available from the AVRY. Thus, the total financial requirement to set up 150 units during three years period and its management from different sources would be as shown in the Table-3.

Table 3: Management of Financial Requirement from Different Sources for Auto Battery Reconditioning Works in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422600	950000	547500	1920100
150	1267800	2850000	1642500	5760300

*Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

As per guidelines of the Ambedkar Vishesh Rozgar Yojana, 22 per cent of total units proposed to be set up has been reserved for Scheduled Castes beneficiaries. The provision is also there that the SC beneficiaries would receive a grant of 33 per cent of a unit cost or Rs.10,000 while general beneficiaries of general castes would get 25 per cent or Rs.7,500. On these criteria, cost break-up of the 50 units and 150 units proposed to be set up for the beneficiaries of different castes has been presented in the Table 4.

Table 4: Caste-wise Distribution of Financial Requirement in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	209000	99000	423500
General Castes	39	292500	14600	741000	448500	1496600
Total	50	402500	20100	950000	547500	1920100
Scheduled Castes	33	330000	16500	627000	297000	1270500
General Castes	117	877500	43800	2223000	1345500	4489800
Total	150	1207500	60300	2850000	1642500	5760300

VIII. Cost-Benefit Analysis

The total cost of setting up of a auto battery reconditioning unit in Etawah district comes to Rs.38000. The land/building/shop is to be arranged by the beneficiary. The value of machines and instruments is Rs.24500. The working capital and other expenses are Rs.11000 and Rs.2500 respectively. The activity is estimated to provide a gross annual income of Rs.54000 and after payment of Rs.5400 per annum as an instalment of bank loan, the beneficiary is likely to get Rs.48600 per annum as shown in the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. <u>Non-Recurring</u>	
1. Land & Building	By the Beneficiaries
2. Machine and Instrument	Rs.24500
B. <u>Recurring</u>	
1. Working Capital	Rs.11000
2. Other Expenses	Rs.2500
C. Total Cost Per Unit	Rs.38000
D. Income per Year	Rs.54,000
E. Payment of Loan instalment (Six monthly)	Rs.5400 (Per annum)
F. Gain per Year	Rs.48600

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The activity has strong backward and forward linkages in Etawah district.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**MOTOR BINDING WORKS:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:
MOTOR BINDING WORKS
IN DISTRICT ETAWAH

Submitted by:
Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, local resources and overall demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within the specified period.

Motor binding is an activity which has ample scope for generation of employment in semi-urban and urban areas of Etawah district. The activity does not require huge capital to start with. Moreover, skills of the craft can be mastered easily. Thus, there is a need that this activity may be provided support under AVRY.

II. Objectives

- To make available sustainable employment to the skilled persons in the trade of motor binding works.

- To meet the local demand.
- To increase the income and employment of those engaged in the trade.
- To check the migration of skilled workers.
- To expand the technical knowledge of the trade.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own Motor Binding unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(III) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess technical know-how to run Motor Binding units in Etawah district. The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each of three years. Thus, 150 units are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of motor binding units operating in Etawah district has revealed that per unit direct employment generation would be of one person and indirect of two person

also. Thus, it is estimated that a total of 150 persons will get direct employment and 300 persons as indirect. Out of total units proposed to be set up, 22 per cent units would be reserved for Scheduled Castes. The total financial need to set up 150 units is estimated to Rs.8160375 in which AVRY grant would be Rs.1267875, bank loan of Rs.4050000 and beneficiaries' share of Rs.2842500. The annual payment of bank loan would be Rs.9000, which will be paid in two installments of Rs.4500 on six monthly basis. The gross income per unit per annum is estimated to be Rs.63000. The project has been presented at a glance in the Table-1.

Table 1: Motor Binding Works at a Glance: District Etawah

Name of the Project	Motor Binding Works	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Semi-Urban, Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers (BDOs)	
Employment Generation (Persons)	Employment	Total
	1. Direct	150
	2. Indirect	300
	Total	450
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	4050000
	3. Beneficiary's Share	2842500
	Total	8160375
	Source: Calculated on the basis of data collected from field in Etawah District	
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.63000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land/building/shop to run the activity by his own resources.
- ❖ The total cost of all instrument and raw materials is estimated to be Rs.37500/-. The Bank Loan will be arranged to purchase these instruments.
- ❖ The small instruments are required which are easily available in Etawah city.
- ❖ The total requirement of working capital comes to Rs.16000/- annually.
- ❖ The other expenses are estimated to be Rs.500 per annum.
- ❖ Thus, the total capital requirement to start up one unit of motor binding works is estimated to be Rs.54,000/-.

V.1 Raw Materials

The following raw materials are used which are easily available locally:

- ✓ Copper wire
- ✓ Sheet
- ✓ Thread
- ✓ Slip
- ✓ PVC
- ✓ Others

Thus, the total capital requirement would be Rs.54,000/- to set up one unit of motor binding unit.

Table 2: Unit Cost Analysis of One Motor Binding Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building/Shop	--	Own Source
2. Instrument	1500	By Bank
3. Working Capital		
(a) Raw Material	36000	By Bank/AVRY/Beneficiary
(b) Labour charges	12,000	By Beneficiary
(c) Electricity charges	4,000	By Beneficiary
4. Other Expenses	500	By Beneficiary
Total	54,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units of motor binding works during the first year starting from 2004-05. The total financial need is estimated to be Rs.2720125. Out of it, beneficiaries would contribute Rs.947500, loan from the bank would be Rs.1350000 and grant of Rs.422625 would be made available from the AVRY. Thus, the total financial requirement to set up 150 units during three years period and its management from different sources would be shown in the following Table-3.

Table 3: Management of Financial Requirement from Different Sources to set up Motor Binding Units in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	1350000	947500	2720125
150	1267875	4050000	2842500	8160375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

As per guidelines of the Ambedkar Vishesh Rozgar Yojana, 22 per cent of total units proposed to be set up has been reserved for Scheduled Castes beneficiaries. The provision is also there that the SC beneficiaries would receive a grant of 33 per cent of a unit cost or Rs.10,000 while the beneficiaries belonging to general castes would get 25 per cent or Rs.7,500 as grant under the scheme. On these criteria, cost break-up of the 50 units and 150 units proposed to be set up for the beneficiaries of different castes has been presented in the Table 4.

Table 4: Caste-wise Distribution of Financial Requirement In Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	297000	187000	599500
General Castes	39	292500	14625	1053000	760500	2120625
Total	50	402500	20125	1350000	947500	2720125
Scheduled Castes	33	330000	16500	891000	561000	1798500
General Castes	117	877500	43875	3159000	2281500	6361875
Total	150	1207500	60375	4050000	2842500	8160375

VIII. Cost-Benefit Analysis

The total cost of setting up of a Motor Binding Works unit in Etawah district comes to Rs.54,000. The land/building/shop is to be arranged by the beneficiary. The value of machines and instruments is Rs.1500. The working capital and other expenses are Rs.16000 and Rs.500 respectively. The activity is estimated to provide a gross annual income of Rs.63000 and after payment of Rs.9000 per annum as an instalment of bank loan, the beneficiary is likely to get Rs.54000 per annum as shown in the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. Non-Recurring	
1. Land & Building	By the Beneficiaries
2. Machine and Instrument	Rs.1500
3. Raw Material	Rs.36000
B. Recurring	
1. Working Capital	Rs.16000
2. Other Expenses	Rs.500
C. Total Cost Per Unit	Rs.54000
D. Income per Year	Rs.63000
E. Payment of Loan instalment (Six monthly)	Rs.9000 (Per annum)
F. Gain per Year	Rs.54000

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The activity has strong backward and forward linkages in Etawah district. All kind of raw materials used in the activity are available locally. The skilled workers are also available in the district.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**ZARDOZI HANDICRAFT:
DISTRICT ETAWAH**

UNDER THE:
**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:
**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:
**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:**ZARDOZI HANDICRAFT FOR ETAWAH DISTRICT**

Submitted by:

Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

The handicrafts of the State has been famous since decades. The activities were earlier concentrated in certain pockets but gradually dispersed to other areas over the years. Zardozi craft was localised around Lucknow city but it has now spread to various places within and outside the Uttar Pradesh. The district of Etawah is one such area where Zardozi handiwork is being carried out successfully. Zardozi is an artwork done on various type of clothes by weaving zari which enhances the glow of clothes and gives royalty to the clothes. Since there is no derth of skilled manpower, raw materials and marketing of the products, there is need that activity may be provided support under the AVRY.

II. Objectives

- To make available sustainable employment to the skilled persons in the trade of Zardozi Handicraft.
- To meet the growing local demand.
- To increase the income and employment of workers engaged in the trade.
- To check the migration of skilled workers to Etawah city.
- To expand the technical knowledge of the trade.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land/workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own Zardozi Handicraft Units, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.

- ❖ Block Development Officers (BDOs) will Invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

The Zardozi craft is done mainly by the Muslims in clusters in urban and rural areas of the Etawah district. Generally 4 to 6 persons work on one karchob. The women who work are as skillful as the men. The demand of the prepared items is mainly in Delhi and Punjab and marketing is not any problem. The raw materials are procured locally but occasionally from Delhi. The items produced are saree, blouse, lehnga, chunri, etc.

Keeping in view the employment potential of the craft and its viability, it is proposed to assist those who have skill in the trade under the AVRY. It is envisaged to select beneficiaries who have skill to run Zardozi craft in urban and rural areas of the Etawah district. The duration of the project has been decided for three years, i.e., 2004-05 to 2006-07. It is proposed to assist 50 units during each of the three years. Thus, 150 units of Zardozi craft would be assisted during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will be responsible for the implementation of the project. Our survey of the existing Zardozi units, operating in different areas of Etawah district has revealed that per unit direct employment generation would be of 4 persons and indirect employment of 2 persons. Thus, it is estimated that a total of 900 persons will get employment in the proposed units which included 600 persons directly and 300 persons indirectly. The average capital requirement to set up 150 units would be Rs.5760375 in which AVRYs share would be of Rs.1267875, bank loan of Rs.2850000 and beneficiaries share of Rs.1642500. The period of loan repayment is fixed for three years. It is estimated that Rs.48000/- would be the gross earnings per unit. In the Table-1, details of project has been presented at a glance:

Table 1: Project of Zardozi Craft at a Glance - District Etawah

Name of the Project	Zardozi Craft	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Rural and Semi-Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers	
Employment Generation (Persons)	Employment	Total
	1. Direct	600
	2. Indirect	300
	Total	900
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	2850000
	3. Beneficiary's Share	1642500
	Total	5760375
	Source: Calculated on the basis of data collected from field in Etawah District	
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.48,000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange shed/shop to run the unit by his/her own resources.
- ❖ The total cost of tools and instrument would be around Rs.23,000/-. The loan from the bank would be assisted to purchase tools and instruments. The following tools and instruments would be required which are available locally:
 - ✓ Wooden frame (Karchob)
 - ✓ Stools
 - ✓ Needles
 - ✓ Others

- ❖ The need of working capital is estimated to be Rs.13600/- per annum which is to be managed by the beneficiary.

V.1 Raw Materials

The following raw materials are used which are available locally in Etawah:

- ✓ Sarees (various types)
- ✓ Zari (various types)
- ✓ Thread (various types)
- ❖ The other expenses comes to Rs.1,400/-.

Thus, the total requirement of capital would be, as per our estimate, of Rs.38,000/- to start one unit. The details are as shown below:

Table 2: Cost Analysis of Zardozi Handicraft Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Tools & Instrument	23000	Provided by Bank/Government/ Beneficiary's Share
3. Working Capital	13600	To be borne by the Beneficiary
4. Other Expenses	1400	To be borne by the Beneficiary
Total	38000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total financial requirement would be of Rs.1920125. The grant from AVRY which included administrative expenses would be Rs.422625. The loan from bank would be Rs.950000 and beneficiaries' share remains Rs.547500. Thus, during three years time period, i.e. 2004-05 to 2006-07, total capital requirement for setting up 150 units has been estimated to be Rs.5760375. The details are as shown in the following Table-3.

Table 3: Management of Financial Requirement from Different Sources for Setting up of Zardozi Units in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	950000	547500	1920125
150	1267875	2850000	1642500	5760375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

The guidelines of AVRY suggest that out of total units proposed to be set up, 22 per cent would be reserved for Scheduled Castes. The SC beneficiaries would receive grant of 33 per cent of a unit cost or Rs.10,000 while general beneficiaries would get 25 per cent or Rs.7,500. On this basis, cost break-up of 50 units and 150 units as per guidelines of AVRY has been made in Table 4. However, Zardozi work is mainly done by the Muslim Community, provisions of AVRY in terms of reservation of proposed units for SCs may have to be relaxed if SC beneficiaries are not available in the district. The task force constituted at the State level may be requested to provide exception of reservation.

Table 4: Caste-wise Distribution of Financial Requirement in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	209000	99000	423500
General Castes	39	292500	14625	741000	448500	1496625
Total	50	402500	20125	950000	547500	1920125
Scheduled Castes	33	330000	16500	627000	297000	1270500
General Castes	117	877500	43875	2223000	1345500	4489875
Total	150	1207500	60375	2850000	1642500	5760375

VIII. Cost-Benefit Analysis

The total cost of setting up of one unit of Zardozi craft comes to Rs.38000. The value of tools and equipment is estimated to be Rs.23000/-. The requirement of working capital and other expenses has been estimated as Rs.13600 and 1400 respectively. One unit of Zardozi craft, on the size and scale being run in Etawah district at present, would provide an estimated gross annual income of Rs.48000/-. After the repayment of loan instalment of Rs.7400 per annum (Rs.3700/- twice in a year) beneficiaries may get Rs.40600/- as is evident in the following Table-5.

Table 5 : **Cost-Benefit Analysis**

	Amount
A. <u>Non-Recurring</u>	
1. Land & Building	By the Beneficiaries
2. Tools and Instrument	Rs.23000
B. <u>Recurring</u>	
1. Working Capital	Rs.13600
2. Other Expenses	Rs.1400
C. <u>Total Cost Per Unit</u>	Rs.38000
D. Income per Year	Rs.48,000
E. Payment of Loan instalment (Six monthly)	Rs.7400 (Per annum)
F. Gain per Year	Rs.40600

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The project must have backward and forward linkages for its sustainability. The Zardozi craft has been found to have sound linkages of both types. The raw materials required is available locally. The skilled workers are available in plenty. The sale of output is no problem as the items are in great demand from Delhi and Punjab.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

- Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**PIGGERY:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:
PIGGERY IN ETAWAH DISTRICT

Submitted by:

Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, local necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

Piggery is an activity, which is gaining momentum in the state. Previously it was confined to lower castes people but now persons of other castes have become involved in it. The district of Etawah is one area where Piggery work has been carried out successfully. It is an activity which has good market, for example, in places like Aligarh and Guwahati. Since there is no dearth of manpower and feeding materials in the district, there is need that this activity may be provided support under AVRY.

II. Objectives

- To make available sustainable employment to the local persons.
- To meet the growing demand.
- To increase the income and employment of those engaged in the activity.
- To check the migration of workers to urban areas.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land/workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own Piggery unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of bank representative, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of skill in the trade is key aspect of the programme.

- ❖ The person will receive preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess knowledge to run Piggery farming in rural and semi-urban areas of the Etawah district. The duration of the project has been fixed for three years, i.e. 2004-05 to 2006-07. It is proposed to set up 50 units during each three years, comprising of 90 pigs per unit. In this way, 150 units are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of Piggery Farming Units, operating in different areas of Etawah district has revealed that per unit direct employment generation would be 2 persons and indirect employment of 3 persons. Thus, it is estimated that a total of 750 persons will get employment in the

proposed activity which include 300 persons directly and 450 persons indirectly. Among total beneficiaries, 33 per cent would be of Scheduled Castes. The average expenditure to set up 150 units of Piggery farming comes to Rs.43560375 in which the grant from AVRY would be Rs.1267875, bank loan of Rs.32625000 and beneficiaries share of Rs.9667500. The period of repayment of loan is fixed for three years. The activity would provide an annual income of Rs.450000. In the following table-1, details of project has been presented at a glance.

Table 1: Project for Piggery Unit at a Glance - District Etawah

Name of the Project	Piggery	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Rural and Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers	
Employment Generation (Persons)	Employment	Total
	1. Direct	300
	2. Indirect	450
	Total	750
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project (for 90 Pigs per Unit)	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	32625000
	3. Beneficiary's Share	9667500
	Total	43560375
	Source: Calculated on the basis of data collected from field in Etawah District	
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.450000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land/building/shed to run the unit by his own resources.

- ❖ The total cost of required items and raw materials would be around Rs.290000. The bank would provide loan to purchase all the needed items. The following items would be required:
 - ✓ Pipe (large)
 - ✓ Bucket
 - ✓ Metal Naanda (small)
 - ✓ Big Metal Naanda
- ❖ The need of working capital is estimated to be Rs.280000/- per annum, which is to be managed by the beneficiary.

V.1 Feed

The following type of feeds are used which are available locally in Etawah :

- ✓ Dhan Bhusi
 - ✓ Atta
 - ✓ Vegetables
- ❖ The other expenses comes to Rs.8,000/-.
- Thus, the total requirement of capital would be as per our estimate of Rs.290000 to start one unit. The details are as shown below:

Table 2: Cost Analysis of One Piggery Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Instruments	2,000	Provided by Bank
3. Cost of Pigs	45,000	Provided by Bank
4. Cost of Feeds & Medicines	2,00,000	Rs.1,70,500 by Bank, Rs.10,000 under AVRY and Rs.19,500 by beneficiary
5. Labour charges	30,000	By Beneficiary
6. Electricity Charges	5,000	By Beneficiary
7. Other expenses	8,000	By Beneficiary
Total	2,90,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total financial requirement of capital would be of Rs.14520125. The grant from AVRY, which included administrative expenses would be Rs.422625. The loan from bank would be Rs.10875000 and beneficiaries' share remain Rs.3222500. Thus, during three years time period, i.e. 2004-05 to 1006-07, total capital requirement for setting up 150 units has been estimated to be Rs.43560375. The details are as shown in the following Table-3:

Table 3: Financial Requirement from Different Sources for Piggery Units in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	10875000	3222500	14520125
150	1267875	32625000	9667500	43560375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

The guidelines of the Ambedkar Special Employment Scheme suggest that out of total units proposed to be set up, 22 per cent would be reserved for Scheduled Castes. The SC beneficiaries would receive grant of 33 per cent of a unit cost or Rs.10,000 while general beneficiaries would get 25 per cent or Rs.7,500 under AVRY. On this basis, cost break-up of the 50 units and 150 units as per guidelines of AVRY has been made in the following Table-4.

Table 4: Caste-wise Distribution of Financial Requirement to set up Piggery Units in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	2392500	687500	3195500
General Castes	39	292500	14625	8482500	2535000	11324625
Total	50	402500	20125	10875000	3222500	14520125
Scheduled Castes	33	330000	16500	7177500	2062500	9586500
General Castes	117	877500	43875	25447500	7605000	33973875
Total	150	1207500	60375	32625000	9667500	4356375

VIII. Cost-Benefit Analysis

The total cost of setting of a piggery unit comes to Rs.290000. The value of machines and tools and raw materials would be Rs.247000 and working capital and other expenses have been estimated to be Rs.35000 and Rs.8000 respectively. The income earned is estimated to be Rs.450000 and after repayment of loan Rs.358000 would be the gain per year as has been shown in the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. Non-Recurring	
1. Land & Building	By the Beneficiaries
2. Machine and Instrument	Rs.2000
B. Recurring	
1. Working Capital	Rs.280000
2. Other Expenses	Rs.8000
C. Total Cost Per Unit	Rs.290000
D. Income per Year	Rs.450000
E. Payment of Loan instalment (Six monthly)	Rs.92000 (Per annum)
F. Gain per Year	Rs.358000

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The project have strong backward and forward linkages. All type of required items and feeds to be used are available locally. The piggery development centres are already working in Etawah district - one each in Takha and Maheva block and two in urban areas of the district. These centres provide all type of guidance. Besides, demand of pork in nearby cities, north-eastern states are the good market once.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**MANUFACTURING OF PICKLES:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:
MANUFACTURING OF PICKLES FOR ETAWAH DISTRICT

Submitted by:
Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

The preparation of pickles has developed as household activity in Etawah District. Many smaller household-based units are in operation. The various type of raw materials required is available easily at local level. The activity is supported under the U.P. Diversified Agricultural Support Project (UPDASP). The UPDASP has established a modern pickles manufacturing facility in Etawah city which is accessible to all those who aspire to undertake the pickles manufacturing. The UPDASP has also promoted 20-25 Self-Help Groups (SHGs) who are involved in pickles making. Keeping in view the income and employment potentials of the activity, it is proposed to consider the development of the pickles manufacturing under AVRY, a project proposal has been

developed on the basis of data/information available from the existing pickles manufacturing units of Etawah district.

II. Objectives

- To make available sustainable employment to the skilled persons in the trade of pickles manufacturing, belonging to different sections of the community in Etawah districts.
- To meet the local demand relating to the activity.
- Expansion of technical knowledge of pickles manufacturing for meeting the future needs.
- Augmentation in the income of workers associated with pickle manufacturing job.
- To check the migration of skilled workers from rural to urban areas and inconveniences of farmers in visiting urban areas for manufacturing of pickles.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land/workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own pickles manufacturing unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.

- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will receive preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

Under the AVRY, beneficiaries will be assisted who have knowledge to prepare pickles of various types. The duration of the project has been fixed for three years, i.e. 2004-05 to 2006-07. It is proposed to set up 50 units during each three years. In this way, 150 pickles manufacturing units are to be set up during 2004-05 to 2006-07. The

Project Director, DRDA through Block Development Officers (BDOs) will Implement the project. Our survey of pickle manufacturing units, existing in Etawah district has revealed that in 50 units proposed to be assisted under AVRY, 150 persons will get direct employment and 400 persons as indirect employment. Thus, in all 550 persons will get employment under the AVRY supported units. The estimated expenditure to set up 150 units of pickles manufacturing units is estimated to be Rs.14010375. The grant under AVRY would be Rs.1267875, bank loan of Rs.6975000 and beneficiaries contribution would be Rs.5767500. The repayment of loan would be made during three years. The per unit gross earnings are estimated to Rs.85000 per annum. In the following Table-1, details of project has been presented at a glance:

Table 1: **Project for Pickles Manufacturing Unit at a Glance - District Etawah**

Name of the Project	Pickles manufacturing	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Rural and Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers	
Employment Generation (Persons)	Employment	
	1. Direct	150
	2. Indirect	400
	Total	550
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	6975000
	3. Beneficiary's Share	5767500
	Total	14010375
Source: Calculated on the basis of data collected from field in Etawah District		
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.85,000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land/building/shed to run the activity by his own resources.
- ❖ The cost of required machines and instruments comes to Rs.56000. A loan from the bank will be arranged to purchase the machines and instruments. The following machines and instruments would be required:
 - ✓ Sealing machine
 - ✓ Cutting machine
 - ✓ Sealing lamp
 - ✓ Weighing machine
 - ✓ Mixing spoons
 - ✓ Drums
 - ✓ Other instruments
- ❖ The requirement of working capital is estimated to be around Rs.33000/-. It is to be arranged by the beneficiary.

V.1 Raw Materials

The following raw materials are used which are available locally:

- ✓ Mango
- ✓ Garlic
- ✓ Chilly
- ✓ Lemon
- ✓ Carrot
- ✓ Raddish
- ✓ Lasoda
- ✓ Oil
- ✓ Salt
- ✓ Turmeric

- ✓ Malthi
 - ✓ Jeera
 - ✓ Mustard
 - ✓ Red Chilly Powder
 - ✓ Other spices
- ❖ The other expenses comes to Rs.4,000/-.

Thus, the total requirement of capital to run one unit of pickle manufacturing unit comes to Rs.93000. The details are as shown below:

Table 2: **Cost Analysis of One Pickle Manufacturing Unit in Etawah District**

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Machine & Instrument	56,000	Provided by Bank/Government/ Beneficiary's Share
3. Working Capital	33,000	To be borne by the Beneficiary
4. Other Expenses	4,000	To be borne by the Beneficiary
Total	93,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total financial requirement of capital would be of Rs.4670125. Out of it, grant from AVRY would be Rs.422625, bank loan of Rs.2325000 and beneficiaries would contribute Rs.1922500. In this pattern, 150 units may be set up during the three years time period. The following Table-3 shows the financial requirement from different sources to set up 50 and 150 units of pickle manufacturing unit in Etawah district.

Table 3: Management of Financial Requirement from Different Sources for Pickles Manufacturing Units in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	2325000	1922500	4670125
150	1267875	6975000	5767500	14010375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Break-up of Financial Requirement

The guidelines of the Ambedkar Special Employment Scheme, lay down that out of total units proposed to be set up, 22 per cent would be reserved for Scheduled Castes. The SC beneficiaries would receive 33 per cent of a unit cost or Rs.10,000 while general beneficiaries would get 25 per cent or Rs.7,500 under AVRY. On this basis, cost break-up of the 50 units and 150 units proposed to set up for different beneficiaries has been calculated in the following Table 4.

Table 4: Caste-wise Distribution of Financial Requirement to set up Pickles Manufacturing Units in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	511500	401500	1028500
General Castes	39	292500	14625	1813500	1521000	3641625
Total	50	402500	20125	2325000	1922500	4670125
Scheduled Castes	33	330000	16500	1534500	1204500	3085500
General Castes	117	877500	43875	5440500	4563000	10924875
Total	150	1207500	60375	6975000	5767500	14010375

VIII. Cost-Benefit Analysis

The total cost of setting of a pickles manufacturing unit has been estimated to be to Rs.93000. The cost of machines and instrument is Rs.56000. The working capital requirement would be Rs.33000 and other expenses may amount to Rs.4000 per annum. The gross income is estimated to be Rs.85000 and after payment of bank instalment of Rs.18150, gain per year is estimated to Rs.66850. In Table-5, cost-benefit of one pickle unit has been presented.

Table 5 : **Cost-Benefit Analysis**

	Amount
A. <u>Non-Recurring</u>	
1. Land & Building	By the Beneficiaries
2. Instrument and Raw Material	Rs.56000
B. <u>Recurring</u>	
1. Labour Charges	Rs.33000
2. Other Expenses	Rs.4000
C. Total Cost Per Unit	Rs.93000
D. Income per Year	Rs.85,000
E. Payment of Loan instalment (Six monthly)	Rs.18150 (Per annum)
F. Gain per Year	Rs.66850

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The project have strong backward and forward linkages. All types of raw materials required to be used are available locally. The state of art manufacturing facility for pickles has been established under UPDASP in Etawah city. The efforts are also that individual manufacturers may get TPO if they undertake manufacturing activity at DASP facility. The tremendous marketing potential is existing within Etawah district and nearby Kanpur metropolis.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

FLOURICULTURE DISTRICT ETAWAH

UNDER THE:
**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:
**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:
**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:**FLOURICULTURE IN ETAWAH DISTRICT**

Submitted by:

Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

Majority of its people in Uttar Pradesh are dependent on agriculture. The district of Etawah is part of the Western region of the state, which is most agriculturally developed. The use of modern technology in agriculture has been a remarkable feature of this area. Flouriculture is an activity which is emerging to be a profitable cash crop. There are various types of flowers grown like, roses, gladiolus, etc., which are finding a growing demand. These flowers are used to decorate the households, hotels, offices, etc. and in the form of bouquets. Gladiolus is one of the flowers which can be cultivated easily in any type of soil and does not require much investment. Keeping in view the profitability of flouriculture, it is proposed to support the activity under the AVRY in Etawah district.

II. Objectives

- To make available sustainable employment to the farmers of the district.
- To meet the growing demand.
- To increase the income and employment of farmers.
- To check the migration from rural to urban areas.
- To diversify the agriculture in the district for better employment and income to the farmers.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is capable to bear expenses and is desirous of undertaking flouriculture.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land for the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own flouriculture activity, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of bank representative, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of skill for flouriculture is key aspect of the programme.

- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for flouriculture.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The experts may be invited to guide the farmers.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter, Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess skill to undertake flouriculture activity in the Etawah district. The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each of three years. Thus, 150 units are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of flouriculture activity in Etawah district has revealed that per unit direct employment generation would be of two persons and indirect of four persons. Thus, it is estimated that a total of 300 persons will get direct employment and 600 persons as indirect. Out of total units proposed to be set up, 22 per cent units would be reserved for Scheduled Castes. The total financial need to set up 150 units is estimated to

Rs.31560375 in which AVRY grant would be Rs.1267875, bank loan of Rs.23625000 and beneficiaries' share of Rs.6667500. The period of repayment of loan is fixed for three years. The activity would provide a gross annual income of Rs.300000. In the following Table-1, details of project has been presented at a glance:

Table 1: Flouriculture Activity at a Glance: District Etawah

Name of the Project	Flouriculture	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Semi-Urban, Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers (BDOs)	
Employment Generation (Persons)	Employment	Total
	1. Direct	300
	2. Indirect	600
	Total	950
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	23625000
	3. Beneficiary's Share	6667500
	Total	31560375
	Source: Calculated on the basis of data collected from field in Etawah District	
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.300000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land for this activity from his own resources.
- ❖ The total cost of all machines and instrument including hiring of tractors comes to Rs.4000/-.
- ❖ The following machines and instruments would be required:

- ✓ Tractor
- ✓ Harrow
- ✓ Seed drill
- ✓ Spray machine

- ❖ The total requirement of working capital estimated to be around Rs.15000/- annually. It is to be managed by the beneficiaries.

V.1 Raw Materials

The following raw materials are used which are available locally in Etawah:

- ✓ Fertilizer
- ✓ Desi Ghura
- ✓ Nitrogen
- ✓ Phosphorus
- ✓ Potash
- ✓ Bavsteen Liquid
- ✓ Seeds

The other expenses comes to Rs.5000. Thus, the total capital requirement would be Rs.210000/- to start one unit. The details are as shown below:

Table 2: Unit Cost Analysis of Flouriculture in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Land for cultivation (one Hectare)	4000	Provided by Bank
3. Seeds, fertilizers and pesticides	186000	Rs.153500 by Bank, Rs.10,000 from AVRY and Rs.31500 by beneficiary
4. Wages	15000	To be borne by the Beneficiary
5. Other Expenses	5000	To be borne by the Beneficiary
Total	210,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total financial requirement would be Rs.10520125. The grant from AVRY which included administrative expenses would be Rs.422625. The loan from bank would be Rs.7875000 and beneficiaries share remain Rs.2222500. Thus, during three years time period, i.e. 2004-05 to 2006-97, total capital requirement for setting up 150 units has been estimated to be Rs.31560375. The details are as shown in the following Table-3.

Table 3: Management of Financial Requirement from Different Sources

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	7875000	2222500	10520125
150	1267875	23625000	6667500	31560375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

As per guidelines of the Ambedkar Vishesh Rozgar Yojana, out of total units proposed to be set up, minimum of 22 per cent would be reserved for Scheduled Castes/Tribes beneficiaries. The SC beneficiaries would receive grant of 33 per cent of a unit cost or Rs.10,000 while general beneficiaries would get 25 per cent or Rs.7,500. On this basis, cost break-up of 50 units and 150 units as per guidelines of AVRY has been made in Table 4.

Table 4: Caste-wise Distribution of Financial Requirement In Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	1732500	467500	2315500
General Castes	39	292500	14625	6142500	1755000	8204625
Total	50	402500	20125	7875000	2222500	10520125
Scheduled Castes	33	330000	16500	5197500	1402500	6946500
General Castes	117	877500	43875	18427500	5265000	24613875
Total	150	1207500	60375	23625000	6667500	31560375

VIII. Cost-Benefit Analysis

The total cost of setting up of one unit of flouriculture comes to Rs.210000. The value of machines, equipment and raw materials is estimated to be Rs.190000. The requirement of working capital and other expenses has been estimated as Rs.15000 and Rs.5000 respectively. The activity is estimated to provide a gross income of Rs.300000 and after payment of Rs.42000 per annum as instalment of bank loan, the beneficiary is likely to get Rs.258000 per annum as shown in the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. Non-Recurring	
1. Land	By the Beneficiaries Rs.4000
2. Hiring of Machine	
B. Recurring	
Working Capital	Rs.2010000
C. Other Expenses	Rs.5000
D. Total Cost	Rs.210000
E. Income per year	Rs.300000
F. Payment of Loan instalment (Six monthly)	Rs.42000 (Per annum)
G. Gain per Year	Rs.258000

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The activity has strong backward and forward linkages in Etawah district. All kind of raw materials used in the activity are available locally. The skilled workers are also available in the district.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**RICE PROCESSING UNIT:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:**RICE PROCESSING UNITS IN ETAWAH DISTRICT**

Submitted by:

Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, local resources and overall demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

Agriculture is the main activity in district Etawah, Uttar Pradesh. Majority of its working population is engaged in this activity. Rice processing is one such activity which has sound marketing within and outside the district. There is need that this activity may be provided support under the AVRY.

II. Objectives

- To make available sustainable employment to local persons.
- To meet the demand of rice.
- To increase the income and employment of farmers.

- To check the migration of workers.
- To expand non-farm activities in the district.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own rice processing unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(IV) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officer, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess skill to undertake rice processing activity in the Etawah district. The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each of three years. Thus, 150 units are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of rice processing activity in Etawah district has revealed that per unit direct employment generation would be of one person and indirect of four persons. Thus, it is estimated that a total of 150 persons will get direct employment and 600 persons as indirect. Out of total units proposed to be set up, 22 per cent units would be reserved for Scheduled Castes. The total financial need to set up 150 units is estimated to Rs.41310375 in which AVRY grant would be Rs.1267875, bank loan of Rs.30937500 and beneficiaries' share of Rs.9105000. The period of repayment of loans is fixed for three

years. The activity would provide a gross annual income of Rs.235000. In the following Table-1, details of project has been presented at a glance:

Table 1: Rice Processing Activity at a Glance: District Etawah

Name of the Project	Rice processing work	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Semi-Urban, Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers (BDOs)	
Employment Generation (Persons)	Employment	Total
	1. Direct	150
	2. Indirect	600
	Total	750
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	30937500
	3. Beneficiary's Share	9105000
	Total	41310375
Source: Calculated on the basis of data collected from field in Etawah District		
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.235000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land for this activity from his own resources.
- ❖ The total cost of all machines and instrument and raw material comes to Rs.190000/-.
- ❖ The following machines and instruments would be required:
 - ✓ Rubber Roll
 - ✓ Polisher
 - ✓ Elevator
 - ✓ Chalna
 - ✓ Motor

- ❖ The requirement of working capital is estimated to be around Rs.185000/-. It is to be managed by the beneficiaries.

V.1 Raw Materials

The following raw materials would be used:

- ✓ Dhaan
- ✓ Sacks
- ✓ Machine Oil

The other expenses come to Rs.10000. Thus, the total capital would be as per our estimate of Rs.275000/- to start one unit. The details are as shown below:

Table 2: Unit Cost Analysis of Rice Processing Activity in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Machine and Instrument	90000	Loan by the Bank
3. Raw Material	100000	Loan by the Bank
4. Labour Charges	50000	Rs.16250 Loan by Bank, Rs.10000 from AVRY & Rs.23750 by the Beneficiary
5. Electricity Charges	25000	To be borne by the Beneficiary
6. Other Expenses	10000	To be borne by the Beneficiary
Total	275,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total financial requirement would be Rs.13770125. The grant from AVRY which included administrative expenses would be Rs.422625. The loan from bank would be Rs.10312500 and beneficiaries share remain Rs.3035000. Thus, during three years time period, i.e. 2004-05 to 2006-97, total capital requirement for setting up 150 units has been estimated to be Rs.41310375. The details are as shown in the following Table-3.

Table 3: Management of Financial Requirement from Different Sources

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	10312500	3035000	13770125
150	1267875	30937500	9105000	41310375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

As per guidelines of the Ambedkar Vishesh Rozgar Yojana, out of total units proposed to be set up, minimum of 22 per cent would be reserved for Scheduled Castes/Tribes beneficiaries. The SC beneficiaries would receive grant of 33 per cent of a unit cost or Rs.10,000 while general castes beneficiaries would get 25 per cent or Rs.7,500. On this basis, cost break-up of 50 units and 150 units as per guidelines of AVRY has been made in Table 4.

Table 4: Caste-wise Distribution of Financial Requirement in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	2268750	646250	3030500
General Castes	39	292500	14625	8043750	2388750	10739625
Total	50	402500	20125	10312500	3035000	13770125
Scheduled Castes	33	330000	16500	6806250	1938750	9091500
General Castes	117	877500	43875	24131250	7166250	32218875
Total	150	1207500	60375	30937500	9105000	41310375

VIII. Cost-Benefit Analysis

The total cost of setting up of one unit of rice processing comes to Rs.275000. The value of machines and instrument is estimated to be Rs.90000. The requirement

of working capital and other expenses has been estimated as Rs.175000 and Rs.10000 respectively. The activity is estimated to provide a gross income of Rs.235000 and after payment of Rs.75000 per annum as instalment of bank loan, the beneficiary is likely to get Rs.160000 per annum as shown in the following Table-5.

Table 5 : **Cost-Benefit Analysis**

	Amount
A. <u>Non-Recurring</u>	
1. Land	By the Beneficiaries
2. Machine and Instrument	Rs.90000
B. <u>Recurring</u>	
1. Working Capital	Rs.175000
2. Other Expenses	Rs.10000
C. <u>Total Cost Per Unit</u>	Rs.275000
D. Income per Year	Rs.235000
E. Payment of Loan instalment (Six monthly)	Rs.75000 (Per annum)
F. Gain per Year	Rs.160000

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The activity has strong backward and forward linkages in Etawah district. The paddy remains available in abundance in Bharthana and Vidhuna blocks of the district. The skilled workers are also available in the district. The marketing is no problem within or in nearby districts.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**DAIRY PRODUCTS:
DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:**DAIRY PRODUCTS IN ETAWAH DISTRICT**

Submitted by:

Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

Animal husbandry is one of the major activities along with agriculture. The rearing of milch cattles has also been promoted under various development programmes in the district. The importance of activity can be understood by the fact that various kinds of milk products like Ghee, Butter, Paneer, etc. have become famous as an Etawah brand. There is substantial demand of the milk and related products in the neighbouring districts like Lucknow and Kanpur besides substantial local demand. In order to sustain the animal husbandry and augment the income of farmers, development of various dairy products under AVRY needs to give due importance. The promotion of the activity is also likely to generate substantial local employment and income.

II. Objectives

- To make available sustainable employment to the skilled persons in the trade of dairy products.
- To meet the growing local demand.
- To increase the income and employment of workers engaged in the trade.
- To check the migration of skilled workers to Etawah city.
- To expand the technical knowledge of the trade.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possess technical/ entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under the AVRY for the trade.
- ❖ The persons will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own dairy products units, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of bank representative, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.
- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arise.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will assist the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter, Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

It is envisaged to select beneficiaries who possess skill to run dairy products units in rural and semi-urban areas of Etawah district. The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each of three years. In this way, 150 units are to be set up during 2004-05 to 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. Our survey of dairy products units operating in different areas of

Etawah district has revealed that per unit direct employment generation would be of two persons and indirect of six persons. Thus, it is estimated that a total of 1200 persons will get direct employment in the proposed activity which includes 300 persons directly and 900 persons indirectly. Among total beneficiaries, 33 per cent would be of Scheduled Castes. The average expenditure to set up 150 of dairy products units comes to Rs.106860375 in which grant of AVRY would be Rs.1267875, bank loan of Rs.80100000 and beneficiaries' share of Rs.25492500. The period of repayment of loan is fixed for three years. The activity would provide a gross annual income of Rs.682000. In the following Table-1, details of project has been presented at a glance:

Table 1: Dairy Products Unit at a Glance: District Etawah

Name of the Project	Dairy products Work	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Semi-Urban, Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers (BDOs)	
Employment Generation (Persons)	Employment	Total
	1. Direct	300
	2. Indirect	900
	Total	1200
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	80100000
	3. Beneficiary's Share	25492500
	Total	106860375
Source: Calculated on the basis of data collected from field in Etawah District		
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.682000	

V. Unit - Cost Analysis

- ❖ The beneficiary will arrange land/building to run the unit by his own resources.
- ❖ The total cost of machinery and instrument would be around Rs.76000. The bank would provide loan to purchase all the needed machines and instruments.

The following machines and instruments would be required:

- ✓ Sapreta Machine
 - ✓ Butter Churner
 - ✓ Kadai
 - ✓ Steel Tank
 - ✓ Parat
- ❖ The need of working capital is estimated to be around Rs.576000/- per annum which is to be managed by the beneficiary.

V.1 Raw Materials

The following raw materials are used:

- ✓ Milk
- ✓ Fuel (Gas)
- ✓ Packing Material

The other expenses come to Rs.60000. Thus, the total capital requirement would be, as per our estimate, of Rs.712000/- to start one unit. The details are as shown below:

Table 2: Unit Cost Analysis of Dairy Products Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Machines & Instrument	76000	Provided by Bank
3. Raw Material	432000	Provided by Bank
4. Labour Charges	144000	Rs.26000 by Bank, Rs.10000 from AVRY, Rs.118000 by Beneficiaries
5. Other Expenses	60000	To be borne by the Beneficiary
Total	712,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total financial requirement would be Rs.35620125. The grant from AVRY which included administrative expenses would be Rs.422625. The loan from bank would be Rs.26700000 and beneficiaries share remain Rs.8497500. Thus, during three years time period, i.e. 2004-05 to 2006-07, total capital requirement for setting up 150 units has been estimated to be Rs.106860375. The details are as shown in the following Table-3.

Table 3: **Management of Financial Requirement from Different Sources**

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	26700000	8497500	35620125
150	1267875	80100000	25492500	106860375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

The guidelines of Ambedkar Vishesh Rozgar Yojana suggest that out of total units proposed to be set up, 22 per cent would be reserved for Scheduled Castes. The SC beneficiaries would receive grant of 33 per cent of a unit cost or Rs.10,000 while general beneficiaries would get 25 per cent or Rs.7,500. On this basis, cost break-up of 50 units and 150 units as per guidelines of AVRY has been made in Table 4.

Table 4: Caste-wise Distribution of Financial Requirement in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	5874000	1848000	7837500
General Castes	39	292500	14625	20826000	6649500	27782625
Total	50	402500	20125	26700000	8497500	35620125
Scheduled Castes	33	330000	16500	17622000	5544000	23512500
General Castes	117	877500	43875	62478000	19948500	83347875
Total	150	1207500	60375	80100000	25492500	106860375

VIII. Cost-Benefit Analysis

The total cost of setting up of a dairy products unit comes to Rs.712000. The value of machines and instruments would be Rs.76000 and working capital and other expenses have been estimated to be Rs.576000 and Rs.60000 respectively. The income to be earned is estimated to be Rs.892000 and after repayment of loan, Rs.682000 would be the gain per year as has been shown in the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. <u>Non-Recurring</u>	
1. Land	By the Beneficiaries
2. Hiring of Machine	Rs.76000
B. <u>Recurring</u>	
1. Working Capital	Rs.576000
2. Other expenses	Rs.60000
C. Total Cost per Unit	Rs.712000
D. Total Sale Value	Rs.1070000
E. Income per year	Rs.892000
F. Payment of Loan instalment (Six monthly)	Rs.210000 (Per annum)
G. Gain per Year	Rs.682000

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The activity has strong backward and forward linkages in Etawah district. All kind of raw materials used in the activity are available locally. The skilled workers are also available in the district.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards

PROJECT FOR:

**MOTOR CYCLE/SCOOTER REPAIRING
WORKS: DISTRICT ETAWAH**

UNDER THE:

**AMBEDKAR VISHESH ROZGAR YOJANA (AVRY)
DISTRICT ETAWAH**

SUBMITTED TO:

**DISTRICT RURAL DEVELOPMENT AGENCY (DRDA)
DISTRICT ETAWAH**

SUBMITTED BY:

**GIRI INSTITUTE OF DEVELOPMENT STUDIES
Sector O, Aliganj Housing Scheme
LUCKNOW 226 024**

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PROJECT FOR:
MOTOR CYCLE/SCOOTER REPAIRING WORKS
FOR ETAWAH DISTRICT

Submitted by:
Giri Institute of Development Studies, Lucknow

I. Background of the Project

The Department of Rural Development, Government of Uttar Pradesh is implementing Ambedkar Vishesh Rozgar Yojana (AVRY) in different districts of the State with the objective of providing self-employment. The major thrust of the programme is to create sustainable employment at local level by utilizing local skill, availability of local resources, necessity and demand.

Under the scheme, viable projects are identified and financial support is arranged as a grant in the form of state's contribution. The loan from the bank is also arranged with the assumption that the activity will generate sufficient profit and beneficiary will pay back the loan within specified period.

The number of motor cycles/scooters has increased rapidly during last few years in Etawah district as has been elsewhere in the State. Hence, there is need that sufficient number of repairing shops are opened to meet the increasing demand. In semi-urban and urban areas of the Etawah district, many of such shops are already in existence but the activity needs further support under AVRY to provide sustainable income and employment to the locals who are engaged in the activity.

II. Objectives

- To meet the local demand of repairing of motor cycle/scooters.
- To provide employment and income to those who have skill of the trade and are capable to run their own workshop/shop.
- To expand the technical knowledge relating to activity for future needs.
- To check the migration of workers associated with the activity to Etawah city.

III. Selection of Beneficiaries

(i) Eligibility

- ❖ Beneficiaries should be from Etawah District.
- ❖ Any person who is unemployed/under-employed and possesses technical/entrepreneurship capabilities and is capable to bear expenses of further training, if need be, is eligible to be selected under AVRY for the trade.
- ❖ The person will get preference who has already received training under different skill development programmes, run by the Government.
- ❖ The person should not be the bank defaulter.
- ❖ The person should be capable to arrange the land/workshed to run the activity.

(ii) Process of Selection

- ❖ People will be made aware/informed that they can start up their own motorcycle/scooter-repairing unit, by getting various benefits under the AVRY.
- ❖ The awareness may be generated through local newspapers, pamphlets, notices, circulars to Gram Pradhans, etc.
- ❖ Block Development Officers (BDOs) will invite applications from the eligible persons.
- ❖ The Block Development Officers will constitute a committee to select the persons. The participation of banks, which is to provide loan, should be mandatory.

(iii) Training of Beneficiaries

- ❖ The upgradation of technical skill in the trade is key aspect of the programme.

- ❖ The person will be given preference who has already received training under the different schemes run by various departments of the State Government.
- ❖ The beneficiaries may be provided further training for skill upgradation in the nearby workshop, if the need arises.
- ❖ The training expenses, if any, will have to be borne by the beneficiary.

(iv) Technical Guidance and Monitoring

- ❖ The Block Development Officers (BDOs) at the block level, will associate the Assistant Engineer (Minor Irrigation) to co-ordinate the activity.
- ❖ The highly skilled experts may be invited to guide the beneficiaries.
- ❖ The repayment of timely loan instalment by the beneficiaries is to be ensured by motivation and monitoring.
- ❖ The Block Development Officers, being the nodal officer of the scheme, will monitor the progress of project every week. Thereafter Chief Development Officer (CDO) will review the progress every fortnightly and the progress report will be forwarded to the Commissioner, Rural Development by the 2nd of every month.

IV. The Project: At a Glance

The duration of the project has been fixed for three years, i.e., 2004-05 to 2006-07. It is proposed to set up 50 units during each of three years. In this way, 150 units are to be assisted under the AVRY upto 2006-07. The Project Director, DRDA through Block Development Officers (BDOs) will implement the project. The survey conducted by the research team of the Giri Institute of Development Studies, Lucknow of the existing motor cycle/scooter shops of Etawah district has revealed that setting up of 150 units would provide employment to 350 persons. Among total beneficiaries, 22 per cent would be reserved for Scheduled Castes. To set up 150 units, on an average Rs.5310375 would be required. A grant of Rs.1267875 would be made available from

AVRY. The Bank loan of Rs.2625000 would be arranged and beneficiaries would contribute Rs.1417500. The repayment of bank loan would be made during the three years and it is estimated that the activity would provide a gross annual income of Rs.43200. In the following table-1, details of project has been presented at a glance.

Table 1: Project of Motor cycle/Scooter Repairing Works at a Glance:
District Etawah

Name of the Project	Motor Cycle/Scooter Repairs Works	
Duration of the Project	Three Years (2004-05 to 2006-07)	
Area of the Project	Semi-Urban, Urban Areas of Etawah District	
Total Units Proposed under the Project:	Year	No. of Units
	2004-05	50
	2005-06	50
	2006-07	50
Implementation	Project Director (DRDA) through Block Development Officers (BDOs)	
Employment Generation (Persons)	Employment	Total
	1. Direct	150
	2. Indirect	200
	Total	350
Scheduled Castes Beneficiaries	22 % Beneficiaries	
Total Expenditure of Project	Sources of Fund	Total of 150 Units
	1. AVRY	1267875
	2. Bank Loan	2625000
	3. Beneficiary's Share	1417500
	Total	5310375
Source: Calculated on the basis of data collected from field in Etawah District		
Period of Payment of Loan	Three years	
Earnings per Unit (Yearly)	Rs.43,200	

V. Unit - Cost Analysis

- ❖ The beneficiary would arrange shop/shed to run the activity by his own resources.

- ❖ The total cost of all machines and instrument is estimated to be Rs.22,000/-. A loan from the Bank would be arranged to purchase machines & instruments. The following machines and instruments would be required:
 - ✓ Air filling machine
 - ✓ Grease Gun
 - ✓ Other small instruments
- ❖ The total working capital is estimated to be Rs.12000/- per annum. It is to be arranged by the beneficiaries.

V.1 Inputs to be Used

The following inputs are used which are available locally:

- ✓ Mobile Oil
- ✓ Engine Oil
- ✓ Grease

Thus, the total capital requirement would be Rs.35,000/- to set up one unit of motor cycle/scooter repairing.

Table 2: Unit Cost Analysis of One Motor Cycle/Scooter Repairing Unit in Etawah District

Items	Amount (Rs.)	Sources of Finance
1. Land/Building	--	Own Source
2. Machine & Instrument	22,000	Provided by Bank/AVRY
3. Working Capital	12,000	To be borne by the Beneficiary
4. Other Expenses	1,000	To be borne by the Beneficiary
Total	35,000	

Source: Based on data collected from the field in Etawah district.

VI. Management of Financial Requirement

It is proposed to set up 50 units during the first year. The total capital requirement is estimated to be Rs.1770125. The AVRY share would be of Rs.422625. A Bank loan of Rs.875000 would be arranged and beneficiaries would contribute Rs.472500. On these estimates, total financial requirement which is to be arranged from different sources has been presented in the following Table-3.

Table 3: Management of Financial Requirement from Different Sources to set up Motor Cycle/Scooter Repairing Units in Etawah District

No. of Units to be Established	Share of AVRY*	Share of Loan from Bank	Share of Beneficiaries	Total
50	422625	875000	472500	1770125
150	1267875	2625000	1417500	5310375

*Note: Share of AVRY includes administrative expenses.

VII. Caste-wise Distribution of Financial Requirement

Out of total units proposed to be set up, 22 per cent would be reserved for Scheduled Castes as per guidelines of AVRY. The SC beneficiaries would be given a grant of 33 per cent or Rs.10,000 while the beneficiaries belonging to general castes would get 25 per cent or Rs.7,500 as grant under the scheme. On this basis, cost break-up of 50 units and 150 units proposed to be set for different beneficiaries has been made in the following Table 4.

Table 4: Caste-wise Distribution of Financial Requirement in Etawah District

Castes	No. of Units to be Established	Under AVRY		Share of Loan from Bank	Share of Beneficiaries	Total Cost
		Grant	Administrative Expenses			
Scheduled Castes	11	110000	5500	192500	82500	390500
General Castes	39	292500	14625	682500	390000	1379625
Total	50	402500	20125	875000	472500	1770125
Scheduled Castes	33	330000	16500	577500	247500	1171500
General Castes	117	877500	43875	2047500	1170000	4138875
Total	150	1207500	60375	2625000	1417500	5310375

VIII. Cost-Benefit Analysis

Our survey in Etawah district of Motor Cycle/Scooter repairing units has revealed that the total cost of setting up of one unit comes to Rs.35000. The activity is estimated to provide a gross annual income of Rs.43200 and after payment of loan instalment of Rs.7000 in a year, the owner is likely to get an estimated annual income of Rs.36200 as is evident from the following Table-5.

Table 5 : Cost-Benefit Analysis

	Amount
A. <u>Non-Recurring</u>	
1. Land & Building	By the Beneficiaries
2. Machine and Instrument	Rs.22000
B. <u>Recurring</u>	
1. Working Capital	Rs.12000
2. Other Expenses	Rs.1000
C. Total Cost Per Unit	Rs.35000
D. Income per Year	Rs.43,200
E. Payment of Loan instalment (Six monthly)	Rs.7000 (Per annum)
F. Gain per Year	Rs.36200

Source: Based on field data.

IX. Backward and Forward Linkages of the Project

The project must have strong backward and forward linkages for its sustainability. The Motorcycle/Scooter repairing units in Etawah District has sound linkages of both types. All kind of raw materials used in the activity are available locally. The skilled workers are also available in the district. Since number of Motor cycle/Scooter in the district is large enough, there is no dearth of availability of job to the units.

X. Plan of Project Implementation

The following work plan is proposed for the implementation of project:

Items	Time Frame
➤ Selection of Beneficiaries	January - March
➤ Forwarding of Applications to Bank	March
➤ Approval of Bank	March-April
➤ Availability of Finance	April
➤ Establishment of Unit	April-May
➤ Physical Verification of Unit	May
➤ Payment of Instalment	December onwards